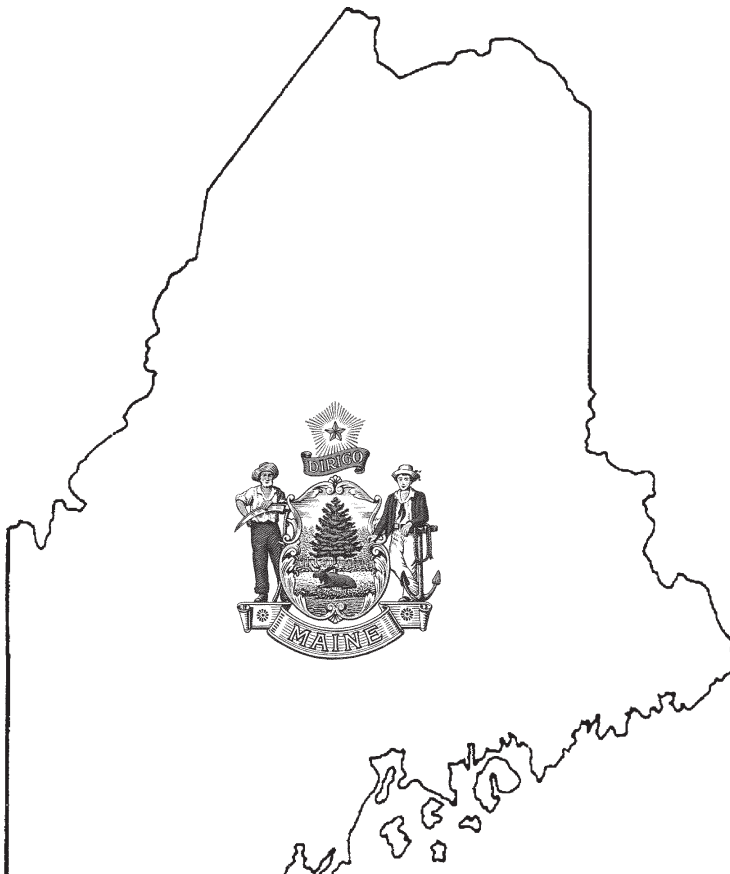


WITHHOLDING TABLES MAINE INDIVIDUAL INCOME TAX

www.maine.gov/revenue



2005

Effective January 1, 2005

The tables in this book
have been adjusted for inflation.

NEW

Licensing requirement for payroll processing companies.
See page 2.

NEW

New nonresident minimum taxability thresholds. For tax years beginning after 2003, nonresident taxpayers are required to file Maine income tax returns and pay Maine income tax if they perform personal services for more than ten days, regardless of the amount of income earned in Maine and regardless of when or where the compensation is received.

NEW

Pass-through Entity Withholding on distributive income of nonresident members. See page 2.

NOTE: A person required to withhold Maine income tax must continue to file quarterly withholding tax returns until the account is canceled, even if no tax has been withheld.

Visit Maine Revenue Services web site at www.maine.gov/revenue for downloadable forms and important tax information. Forms can also be ordered by calling 207-624-7894.

Income Tax Withholding Questions? E-mail: withholding.tax@maine.gov
or call: 207-626-8475

ELECTRONIC FUNDS TRANSFER (“EFT”)

Maine Revenue Services accepts both ACH credit method and ACH debit method payments. ACH debit method payments may be authorized through MRS’s telephone ACH electronic funds withdrawal payment system. Participation using the ACH credit method or the ACH electronic funds withdrawal telephone payment system requires that an application first be filed with MRS. 36 MRSA § 193 and MRS Rule 102 mandate taxpayers with annual withholding liabilities of \$200,000 or more to pay electronically. Maine Revenue Services also accepts voluntary participants into its electronic funds transfer programs. There are no payment minimums.

For up-to-date information, to obtain an application for either the ACH Credit Method or ACH Telephone Electronic Funds Withdrawal Method, to obtain a copy of Rule 102, or for more information on EFT, visit www.maine.gov/revenue, e-mail efunds.transfer@maine.gov, call 207-287-8276, or write: EFT Unit, Maine Revenue Services, P.O. Box 9100, Augusta ME 04332-9100.

Penalty for Insufficient Funds. The penalty for insufficient funds applies to electronic funds transfers. The penalty is \$20 or 1% of the payment amount, whichever is greater.

Penalty for Failure to Pay by Electronic Funds Transfer. Any person required to pay by electronic funds transfer who fails to do so is liable for a penalty equal to the lesser of 5% of the tax due or \$5,000.

PAYROLL PROCESSING COMPANIES

Existing law requiring payroll processors to register annually with Maine Revenue Services is repealed and replaced with an annual licensing provision to be administered by the Office of Consumer Credit Regulation. The first application for licensing is due January 31, 2005. For more information on the licensing requirements, contact the Director, Office of Consumer Credit Regulation by phone (207-624-8527), fax (207-582-7699) or in writing at: 35 State House Station, Augusta, ME 04333.

PASS-THROUGH ENTITIES

Pass-through entities (partnerships, S corporations, etc.) with nonresident members (partners, shareholders, etc.) must withhold income taxes from those nonresident members on Maine-source distributive income. The income tax withheld must be remitted to the state quarterly, on the same schedule as employer withholding payments. Certain exemptions apply. Pass-through entities must withhold income taxes at the highest Maine rate -- *do not use this booklet to calculate withholding for nonresident members*. For more information, see www.maine.gov/revenue (select Forms/Publications).

SAFEGUARDS FOR EMPLOYERS:

1. Ensure that your Employer Identification Number is established with an address at which you will receive notices from the IRS and State tax agencies.
2. Be aware that effective 1/31/05, payroll processors that have access to your company’s funds, or that file tax reports for your company, must be licensed by the Office of Consumer Credit Regulation or by the Bureau of Financial Institutions. Those processors with access to your funds (either payroll or withholdings) must also post a surety bond with those state agencies. Information on the state’s new licensing requirements can be found at www.MaineCreditReg.org by clicking on the “Payroll processor license application and information” link.
3. If you get a notice, contact your preparer. If you are told that it has been taken care of, or that the notice was in error, ask for verification that the problem has been resolved.
4. Periodically check with the appropriate government agencies to ensure that payments and returns are being filed in a timely manner.
5. If you are not sure of tax filing/payment requirements, consider attending a Small Business Workshop offered by the Small Business Administration, the IRS and Maine Revenue Services. The IRS Taxpayer Education Office (207-622-8328) has schedules and enrollment information.
6. **LACK OF NOTICE DOES NOT MEAN THAT EVERYTHING IS FINE.** Maine Revenue Services is not always aware that you have employees. Until you establish a filing requirement, we may not know of that requirement. By the time you discover that your tax returns are not being filed, substantial penalties and interest may have accrued when you begin to receive notices. When in doubt, contact Maine Revenue Services at 207-626-8475.

Maine Revenue Services
P.O. Box 1061
Augusta, Maine 04332-1061
General Information: Phone (207) 626-8475
Payment or Collection Questions: Phone (207) 287-3301
Central Registration Unit: Phone (207) 287-2338
web site address: www.maine.gov/revenue
E-mail address: withholding.tax@maine.gov

EMPLOYER TAX CALENDAR

<u>Return</u>	<u>Form No.</u>	<u>Due Date</u>
SEMI-WEEKLY PAYMENTS OF WITHHELD INCOME TAXES	900ME	If your Withholding Tax Remittance Frequency is <u>semi-weekly</u> and wages are paid on Wednesday, Thursday or Friday, payment of withheld income taxes is due the following Wednesday. If the wages are paid on Saturday, Sunday, Monday or Tuesday, the payment of withheld income taxes is due the following Friday. Use the Employer's Payment Voucher For Maine Income Tax Withheld (Form 900ME) to make your payments. Note: Do not use Form 900ME if you are making your payments by Electronic Funds Transfer ("EFT").
QUARTERLY RETURN OF INCOME TAX WITHHOLDING AND UNEMPLOYMENT CONTRIBUTIONS	941ME 941/C1-ME	These forms must be filed by all employers registered to remit income tax withholding and/or unemployment insurance contributions. The forms are used to report income taxes withheld and/or unemployment contributions for the quarter, to reconcile payments of income taxes withheld made during the quarter and to make payment for any balance due for income taxes withheld and/or unemployment contributions. The quarterly return is due the last day of the month following the end of each calendar quarter, even if there is no withholding tax or unemployment contributions to report. Employers are required to complete the withholding detail pages on the quarterly return. An employer who is not able to comply with this requirement must obtain a waiver from Maine Revenue Services.
ANNUAL RECONCILIATION	W-3ME	Due February 28 of the following year or at termination of business.
WAGE AND TAX STATEMENT OR INFORMATION STATEMENT	W-2, 1098, 1099, 5498, etc.	Furnish payee the applicable statement by February 15 or within 30 days after last payment of wages or termination of employment.

Forms will be mailed to registered businesses before the required reporting date. If forms are not received at least two weeks prior to the due date, contact Maine Revenue Services, P.O. Box 1061, Augusta, Maine 04332-1061 or phone (207) 626-8475. If you do not receive forms in time to report and remit, send the remittance no later than the due date with a cover letter. Be sure to write your Maine withholding account number and/or your unemployment contributions account number on your check.

INSTRUCTIONS

1. Introduction. The Maine withholding tax system operates in much the same manner as the federal system. Employers must withhold Maine income tax from their employees' earnings and remit the withheld funds to Maine Revenue Services. The law also requires withholding on distributions from pensions and annuities, and certain other payments when there is federal withholding.

In these instructions, "person" means an individual, firm, partnership, association, society, club, corporation, estate, trust, business trust, receiver, assignee, the state or federal government or any other political subdivision or agency of either government, or any other group or combination thereof acting as a unit.

2. Registration for Withholding Purposes. New withholders must register with the Department of Labor, Central Registration Unit to receive the Withholding Tables booklet, the combined withholding and unemployment (or withholding only) tax forms booklet and any other necessary information. Contact the Central Registration Unit at division.uctax@maine.gov or call (207) 287-2338 to obtain the proper form.

3. Payments Subject to Maine Withholding. Any person who maintains an office or transacts business within the state and who is required to withhold federal income tax from a particular payment must also withhold state income tax if the payment constitutes income that is not excluded from taxation under Maine law.

The withholding requirement applies to nonresident and resident individuals. For purposes of the income tax withholding requirements, Maine-source income of a nonresident individual is income attributable to: (1) an occupation, trade or business carried on in Maine; (2) the ownership or disposition of an interest in real or tangible personal property in Maine. Included in Maine-source income are such items as unemployment compensation connected with Maine employment. Agricultural employees are also subject to the withholding requirements. However, pensions, annuities and other income from intangible sources paid to a nonresident are not subject to withholding of Maine income tax.

Maine-source income of a nonresident individual may not be subject to income tax

withholding if the number of days worked in Maine falls below the threshold defined by 36 MRSA § 5142(8) and MRS Rule 806. For a copy of MRS Rule 806, visit our web site at www.maine.gov/revenue (select Laws & Rules), write Maine Revenue Services, P.O. Box 9100, Augusta, ME 04332-9100 or call 207-624-7894. **Note: The dollar threshold for calculating taxability of Maine-source income to a non-resident has been repealed.** If a nonresident employee works in Maine for at least ten days during the year, you must withhold from that employee.

4. Computing the Amount of Maine Taxes to Withhold. Any of the following methods may be used to calculate the amount of Maine income tax to withhold from payments subject to the federal wage method of withholding:

(a) Percentage Method. See pages 6 and 7.

(b) Wage Bracket Tables. The tables on pages 8-22 show the amount of Maine income tax to be withheld by wage bracket and by number of withholding allowances claimed on a weekly, biweekly, semimonthly, monthly and daily or miscellaneous basis. There are separate tables for single taxpayers, married taxpayers with one income and married taxpayers with two incomes.

(c) Flat-Amount or Fixed Percentage Rate Method. If a payee requests an amount of withholding that exceeds the amount that would otherwise be required, the request may be granted.

(d) Alternate Method. Another method devised by a withholding agent that produces the same result as the percentage method or the wage bracket tables, or that produces a result that falls between those methods.

Maine has a low-income credit for individuals whose Maine taxable income is \$2,000 or less. The credit is equal to the Maine income tax otherwise due. The instructions for the percentage method of withholding on pages 6 and 7, and the wage bracket tables on pages 8 through 22 are designed to reflect the credit.

If supplemental wages (such as bonuses, commissions, overtime pay, etc.) are paid with regular wages, the withholding tax is calculated as if the total were a single payment of wages for the regular payroll period. If the supplemental wages are paid separately, the payer may withhold a flat 5 percent.

Maine income tax law requires a person who withholds for federal purposes to withhold for Maine an amount that approximates the payee's liability for the taxable year. If this condition is met, the payer may use a withholding method that best approximates the payee's liability. For non-wage payments that are subject to flat rate federal withholding, withholding at 5 percent of the total payment is required for Maine.

5. Withholding Allowances - Form W-4ME. Maine requires new employees and employees making changes to their federal Form W-4 to furnish a state withholding allowance certificate (Form W-4ME). Differences between Maine income tax law and the Internal Revenue Code (such as the federal child credit) may affect the number of allowances an employee may claim. Maine withholding allowances claimed on Form W-4ME are based on the number of allowances claimed on federal Form W-4. The Maine Form W-4ME must be provided to the employer on the same date as the federal Form W-4 is provided. **In no event shall an employee claim a number of withholding allowances for Maine income tax withholding that exceeds the number to which he or she is entitled.**

Maine Form W-4ME may be downloaded at www.maine.gov/revenue or ordered by calling 207-624-7894.

(a) An employee may claim a **greater number of allowances** for state than for federal purposes. To do so, the employee must obtain a **Withholding Exemption Variance Certificate** from Maine Revenue Services. When applying for the certificate, the employee must certify that no income tax liability will be incurred for the current tax year. Each certificate expires on December 31, or whenever the employee no longer qualifies for the certificate, whichever is sooner.

(b) An employee may claim **fewer** withholding allowances for state than

for federal purposes without a Withholding Exemption Variance Certificate.

(c) An employee may request an additional dollar amount or a flat dollar amount of withholding that exceeds the withholding tax amount specified by the tables.

The employee who chooses any of the above options will reflect the option on the Maine Withholding Allowances Certificate (Form W-4ME).

Form W-4ME may also be used as the state counterpart to federal Form W-4P.

Invalid Forms W-4. If a federal Form W-4 is determined to be invalid for federal withholding purposes, it is not to be used as a base for the Maine Form W-4ME to compute Maine withholding. If, upon request, the employee does not provide a valid Form W-4ME, the employer must withhold as if the employee were single and claiming no allowances. Also, if Maine Revenue Services notifies an employer that a Form W-4ME is invalid, the employer must withhold as if the employee were single and claiming no allowances until the employee provides a valid Form W-4ME.

Submission of Forms W-4. An employer who is required to submit to the Internal Revenue Service a Form W-4 received from an employee during the calendar quarter, together with a copy of any written statement received from the employee in support of the claims made on the Form W-4, is also required to submit copies of the same along with a copy of the employee's Form W-4ME to Maine Revenue Services.

6. Reporting Maine Income Tax Withheld. Persons required to withhold must report the Maine income taxes withheld to Maine Revenue Services on a quarterly basis. The combined withholding tax/unemployment contributions (or withholding tax only) forms are due quarterly by the last day of the month following the end of the quarter. **Note: special payment requirements apply to persons whose withholding during the period July 1, 2003 to June 30, 2004 was \$18,000 or more (see item 7 below).**

Household Employees. If you withhold Maine income tax from household employees (required if federal tax is withheld), you

must report the tax withheld on the combined withholding tax and unemployment contributions (or withholding tax only) forms. You cannot report the tax withheld on your Maine individual income tax return. Follow the reporting requirements above to report the tax withheld.

Cancelling an Account. A person who is required to withhold must continue to file quarterly withholding tax returns, **even if no tax has been withheld**, until the Central Registration Unit has been notified that withholding is no longer required and the account is canceled. Complete the Cancellation Notice portion of the combined withholding tax/unemployment contributions (or withholding tax only) forms provided in your preprinted booklet.

7. Payment. Employers whose total withholding during the period July 1, 2003 to June 30, 2004 was \$18,000 or more must remit tax withheld on a semi-weekly basis. If the day wages are paid is on Wednesday, Thursday or Friday, the employer must remit tax withheld by the following Wednesday. If the day wages are paid is on Saturday, Sunday, Monday or Tuesday, the employer must remit tax withheld by the following Friday. Unless paying by EFT, send the Payment Voucher (Form 900ME) with your payments.

Note: Form 900ME is a payment voucher only. Report and reconcile the total amount withheld and the total payments made during the quarter on the quarterly return (Form 941ME or Form 941/C1-ME).

Employers whose withholding during the period July 1, 2003 to June 30, 2004 was less than \$18,000 must remit income tax withholding on the quarterly return.

The State Tax Assessor may require more frequent remittances if the collection of withheld taxes is in jeopardy.

Your account will be reviewed at the end of 2005 to determine the proper remittance frequency for 2006. Maine Revenue Services will notify you if your remittance frequency is changed for 2006.

Complete filing and remittance requirements are contained in MRS Rule 803, Withholding Tax Reports and Payments. Copies of the rule are available upon request, or at www.maine.gov/revenue.

8. Error in Reporting Withholding. If you need to make a correction in the withholding tax reported for a particular period, submit an amended return (Form 941A-ME) for that period. Do not make an adjustment on a return for a subsequent period.

9. Payee Statement. Federal law requires employers to furnish Form W-2 to employees to report the payment of wages, taxes withheld, etc. Persons who make other payments are required to furnish information returns (1098, 1099 series) to the payees. Compliance with these federal requirements will satisfy state requirements if the information return provided includes state wages (or other payment) and state withholding information.

10. Annual Reconciliation (Form W-3ME). On or before February 28 of each year, or at the termination of business, persons required to withhold must file a reconciliation return on Form W-3ME. Total income tax withheld shown on the reconciliation return should equal the total withholding tax reported to Maine Revenue Services for the year and should also equal the total Maine income tax withheld shown on all information returns furnished payees. Mail Form W-3ME separately from your return and payment for the fourth quarter.

11. Forms. Forms 941ME, 941/C1-ME, 941A-ME and W-3ME are provided in a booklet that Maine Revenue Services mails annually to each registered payer. Employers required to make semi-weekly payments will receive a special book containing Payment Vouchers (Forms 900ME). The forms are preprinted with employer information such as name, address and account numbers. Each booklet contains a name and address change form (Form 941/C1C-ME) and a cancellation notice (on the quarterly reports) that the payer must use to notify the Central Registration Unit of name and address changes, or to cancel an account if withholding is no longer required. The booklets are mailed about six weeks before the due date of the first return of the year. **Any payer whose booklet fails to arrive on schedule should notify the Income/Estate Tax Division at 207-626-8475.**

Instructions for completing the various forms are included with the forms and are not reproduced here.

Maine Revenue Services does not supply Forms W-2, W-4, 1098, 1099 or 5498. These must be obtained from the Internal Revenue Service. Form W-4ME can be downloaded at www.maine.gov/revenue or ordered by calling 207-624-7894. Form 1099ME, designed specifically for reporting income tax withholding to nonresident members of a pass-through entity, can also be downloaded at the MRS web site.

12. Interest and Penalties. Interest and penalties will be charged for withheld tax not remitted by the due date. In addition, a penalty will be assessed for late filing. The interest rate for 2005 is 8% per year, compounded monthly. The penalty for late pay-

ment is 1% per month, or fraction thereof, of the tax due up to a maximum of 25%. The penalty for late filing is \$25 or 10% of the tax due, whichever is greater. If a tax return is not filed upon demand, the late filing penalty is 100% of the tax due. The law also provides penalties for negligence, fraud and substantial understatement.

13. Pensions and Annuities. If payments from employer-sponsored retirement plan are subject to federal withholding, then Maine income tax must also be withheld. If the payee elects out of federal withholding, then Maine withholding is not required.

14. Backup Withholding. If backup withholding is required at the federal level, Maine requires a flat withholding rate of 5%.

15. Other Questions. If you have questions that you cannot answer by reading these instructions, contact the Income/Es-tate Tax Division for assistance (see page 3 for address, e-mail, and telephone numbers).

MAINE INCOME TAX WITHHOLDING — PERCENTAGE METHOD — 2005

If you use the percentage method to compute Maine Income Tax Withholding, use the following steps:

Step 1 — Convert total wages to annual wage amount. Multiply by the payroll frequency: 52 for weekly, 26 for biweekly, 24 for semimonthly, 12 for monthly, 260 for daily or miscellaneous payroll period.

Step 2 — Multiply the number of withholding allowances the employee claims by \$2,850. Subtract the result from the annualized wage amount calculated in step 1 to compute the annualized income.

Step 3 — Compute the annualized withholding amount using the following withholding rate schedules based on the annualized income computed in step 2.

NOTE: An individual whose Maine taxable income (as calculated on Form 1040ME) is \$2,000 or less is allowed a low-income credit equal to the amount of tax otherwise imposed. If the annualized tax amount computed in Step 3 is \$40 or less, the credit applies. In that case, change the withholding amount to zero for the pay period.

For Single Taxpayers

If the annualized income is:

Less than	\$ 2,150
\$ 2,150 but less than	\$ 6,600
\$ 6,600 but less than	\$11,000
\$11,000 but less than	\$19,850
\$19,850 or more	

The annualized withholding is:

0%	
2% of excess over	\$ 2,150
\$ 89 plus 4.5% of excess over	\$ 6,600
\$ 287 plus 7% of excess over	\$11,000
\$ 907 plus 8.5% of excess over	\$19,850

For Married Taxpayers with One Income

If the annualized income is:

Less than	\$ 5,450
\$ 5,450 but less than	\$14,350
\$14,350 but less than	\$23,150
\$23,150 but less than	\$40,900
\$40,900 or more	

The annualized withholding is:

0%	
2% of excess over	\$ 5,450
\$ 178 plus 4.5% of excess over	\$14,350
\$ 574 plus 7% of excess over	\$23,150
\$1,817 plus 8.5% of excess over	\$40,900

Optional for Married Taxpayers with Two Incomes

If the annualized income is:

Less than	\$ 2,725
\$ 2,725 but less than	\$ 7,175
\$ 7,175 but less than	\$11,575
\$11,575 but less than	\$20,450
\$20,450 or more	

The annualized withholding is:

0%	
2% of excess over	\$ 2,725
\$ 89 plus 4.5% of excess over	\$ 7,175
\$ 287 plus 7% of excess over	\$11,575
\$ 908 plus 8.5% of excess over	\$20,450

Step 4 — Divide the annualized withholding amount computed in step 3 by the payroll frequency used in step 1 and round to the nearest dollar. The result is the amount of Maine income tax to be withheld from the payment being made.

Example 1: A single employee is paid \$165 each week. The employee claims two withholding allowances on Form W-4ME. Using the percentage method, compute the employee's withholding as follows:

(1) Gross pay of \$165 x 52 weeks = \$8,580.

(2) Compute annualized income:

2 allowances x \$2,850 =	\$5,700
Annualized wage	\$8,580
Allowances	- <u>5,700</u>
Annualized Income	\$2,880

(3) Compute annualized withholding amount:

	<u>Rate</u>	<u>Tax</u>
\$2,880		
- <u>2,150</u>	See Schedule	\$ 00
\$ 730	x 2%	<u>15</u>
Annualized Withholding Amount		\$ 15

See Note on page 6 (under step 3). Because the annualized withholding amount is less than \$40, this taxpayer may qualify for the low-income credit. Therefore, the amount to be withheld is zero.

Example 2: A single employee is paid \$475 each week. The employee claims two withholding allowances on Form W-4ME. Using the percentage method, compute the employee's withholding as follows:

(1) Gross pay of \$475 x 52 weeks = \$24,700.

(2) Compute annualized income:

2 allowances x \$2,850 =	\$5,700
Annualized wage	\$24,700
Allowances	- <u>5,700</u>
Annualized Income	\$19,000

(3) Compute annualized withholding amount:

	<u>Rate</u>	<u>Tax</u>
\$19,000		
- <u>11,000</u>	See Schedule	\$287
\$ 8,000	x 7%	<u>560</u>
Annualized Withholding Amount		\$847

(4) Annualized withholding of \$847 divided by 52 = \$16.29 rounded to \$16. Withhold \$16 each week.

NOTE: If the payment involved is subject to flat rate federal withholding (backup withholding), a flat rate state withholding of 5% must be withheld. Multiply the amount of payment by 5% to compute the amount of tax to withhold. Do not use the above steps.

OPTIONAL WITHHOLDING TABLES FOR MARRIED TAXPAYERS WITH TWO INCOMES

Some taxpayers with two incomes owe money every year when they file their Maine income tax return due to underwithholding. Employers could help these taxpayers avoid this situation by encouraging two-income wage earners to use the **optional withholding tables** on pages 18 through 22 (or the percentage method schedules on page 6). The tables and schedules have been especially designed to help these individuals meet their income tax liability through additional withholding. You could alert your employees to this option by providing a copy of this notice with their paychecks early in the year.

COMMON ITEMS OF INCOME SUBJECT TO WITHHOLDING OF MAINE INCOME TAX

INCOME TYPE	WITHHOLDING REQUIREMENT	WITHHOLDING BASIS
Wages — including tips, commissions, bonuses, severance pay or “golden parachute” payments, supplemental unemployment benefits (IRC § 3402)	Mandatory	Wage methods (wage bracket tables or permitted alternatives)
Employer paid sick pay	Mandatory	Wage methods
Third-party sick pay	Payee must request	Any method at payer option
Remuneration for services exempted by IRC § 3401 (domestic service, religious, newscasters, etc.)	Voluntary by mutual agreement	Any method
Periodic payments from employer-sponsored retirement plan (pension, profit-sharing, stock bonus, etc.) (IRC § 3405)	Required, unless payee elects out of federal withholding	Wage methods
Lump-sum or other nonperiodic payment from employer-sponsored retirement plan	Required, unless payee elects out of federal withholding	Flat 5 percent
Distribution from Individual Retirement Account (IRA) or self-employed pension (Keogh) plan	Required, unless payee elects out of federal withholding	Flat 5 percent
Private employer-sponsored deferred compensation plan (IRC § 401(k))	Required, unless payee elects out of federal withholding	Flat 5 percent
Distribution from government employer-sponsored deferred compensation plan (IRC § 457)	Mandatory	Wage methods
Gambling winnings in excess of \$5,000: lotteries parimutuel horse and dog races when odds are at least 300 to 1 (IRC § 3402(q))	Mandatory	Flat 5 percent
Interest and dividends subject to federal “backup” withholding when payee fails to furnish proper Federal Tax Identification Number, or when payee or payer is notified by the Internal Revenue Service that federal “backup” withholding is required (IRC § 3406)	Mandatory	Flat 5 percent
Wages, interest, dividends, rent or other payments to nonresident aliens of the United States when federal income tax withholding is required (IRC § 1441)	Mandatory	Flat 5 percent
Effectively connected income of foreign partner (IRC § 1445)	Mandatory	Flat 5 percent

FILE *AND PAY* ONLINE



I-FILE – internet file quarterly income tax withholding returns online for free at: www.maine.gov/revenue. You fill out the information, and we do the calculations.



Join other Maine employers who already use I-file.

For more information go to: www.maine.gov/revenue.

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